

LEUCADIA WASTEWATER DISTRICT

Minutes of a Regular Board Meeting
November 8, 2017

A regular meeting of the Board of Directors of the Leucadia Wastewater District (LWD) was held Wednesday, November 8, 2017 at 5:00 p.m., at the District Administration Office at 1960 La Costa Avenue, Carlsbad, California.

1. Call to Order

President Hanson called the meeting to order at 5:00 p.m.

2. Roll Call

DIRECTORS PRESENT: Hanson, Sullivan, Juliussen, and Omsted

DIRECTORS ABSENT: Kulchin

OTHERS PRESENT: General Manager Paul Bushee, General Counsel Wayne Brechtel, Administrative Services Manager Richard Duffey, Technical Services Manager Robin Morishita, Field Services Superintendent Jeff Stecker, Executive Assistant Tianne Baity, District Engineer Dexter Wilson, Debra Roberts and the First Lego League Robotics Team TMLRBv2.1, Robert Budd and Michael Bales

3. Pledge of Allegiance

Director Omsted led the pledge of allegiance.

4. General Public Comment Period

None.

5. Approval of Agenda

Upon a motion duly made by Vice President Sullivan, seconded by Director Omsted, and unanimously carried, the Board of Directors approved the agenda by the following vote:

Director	Vote
President Hanson	Yes
Vice President Sullivan	Yes
Director Kulchin	Absent
Director Juliussen	Yes
Director Omsted	Yes

6. Presentations and Awards

First Lego League Robotics Team – Flushable Wipes Presentation

Debra Roberts, assistant coach of The First Lego League (FLL) Robotics Team TMLRBv2.1, introduced her team. She noted that the team will be competing this Sunday in the FLL Competition 9-14 year old division.

Team TMLRBv2.1 gave a presentation on how flushable wipes are impacting the human water cycle by clogging the wastewater pipes. Team TMLRBv2.1 presented the results of their experiments with 8 different brands of flushable wipes. Team TMLRBv2.1 also presented their solutions to the flushable wipes problem.

The Board asked the team various questions relating to their flushable wipes experiments and the team answered the questions.

The Board was impressed with Team TMLRBv2.1 and congratulated them on their presentation. The Board thanked the team and wished them well in their competition.

CONSENT CALENDAR

7. Approval of Board and Committee Minutes

Minutes of the following meetings:

- October 11, 2017 Regular Board Meeting
- October 31, 2017 Human Resources Committee Meeting

8. Approval of Demands for October/November 2017

Payroll Checks numbered 19510 - 19570; General Checking – Checks numbered 50295 - 50413

9. Operations Report (A copy was included in the original November 8, 2017 Agenda)

10. Finance Report (A copy was included in the original November 8, 2017 Agenda)

11. Quarterly Treasurer's Investment Report

This report discloses investments for the quarter ending September 30, 2017.

12. Disclosure of Reimbursements

This report discloses travel expense reimbursements for the month of October 2017.

13. Board-General Manager/Staff Relations Policy

Receive and file the annual review of the Board-General Manager/Staff Relations Policy.

Upon a motion duly made by Director Omsted, seconded by Vice President Sullivan, and unanimously carried, the Board of Directors approved the Consent Calendar by the following vote:

Director	Vote
President Hanson	Yes
Vice President Sullivan	Yes
Director Kulchin	Absent
Director Juliussen	Yes
Director Omsted	Yes

EWA and COMMITTEE REPORTS

14. Encina Wastewater Authority (EWA) Reports

A. An EWA Member Agency Manager's (MAM) Meeting was held on October 16, 2017.

GM Bushee reported on EWA's MAM October 16, 2017 meeting.

B. EWA Board Report – Meeting was held on October 25, 2017.

Vice President Sullivan reported on EWA's October 25, 2017 Board meeting.

C. An EWA Member Agency Manager's (MAM) Meeting was held on November 7, 2017.

GM Bushee reported on EWA's MAM November 7, 2017 meeting.

15. Committee Reports

A. Human Resources Committee (HRC) Meeting was held on October 31, 2017.

Vice President Sullivan reported the HRC reviewed the Board-General Manager/Staff Relations Policy. Following discussion, the HRC concurred with staff to place the Board-General Manager/Staff Relations Policy on the November Board Agenda Consent Calendar.

The HRC also reviewed the following recommendations:

- Amending the Human Resources Policy Manual; and
- Evaluate the Need for a Compensation Study

The HRC concurred with staff to present these recommendations to the Board of Directors and they will be discussed later in the agenda.

B. Engineering Committee (EC) Meeting was held on November 7, 2017.

Director Juliussen reported the EC reviewed a purchase order with Miramar Truck Center for the purchase of a 2018 Ford F-750 Heavy Duty Truck (15.5-ton) in an amount of \$83,367.73. The EC concurred with staff to present this recommendation to the Board of Directors and it will be discussed later in the agenda.

Director Juliussen reported the EC reviewed an authorization to notify San Diego Association of Governments (SANDAG) of the District's intent to proceed with construction of the Poinsettia Station Gravity Pipeline with the stipulation that the bid price for the construction does not exceed \$600,000. The EC discussed this recommendation and directed staff to amend the recommendation to omit the stipulation that the construction not exceed \$600,000. The EC concurred with staff to present this recommendation to the Board of Directors and it will be discussed later in the agenda.

Director Juliussen reported the EC reviewed a sole source purchase agreement with Jensen Precast for the pre-purchase of three precast manholes required for the Poinsettia Station Gravity Pipeline Project in an amount not to exceed \$92,616. The EC concurred with staff to present this recommendation to the Board of Directors and it will be discussed later in the agenda.

Director Juliussen stated the EC also received an update on the Notice of Violation – San Diego Air Pollution Control District. This item was for informational purposes and no action was taken.

ACTION ITEMS

16. Vehicle Purchase to Replace Year 2000 Dump Truck

Authorize the General Manager to execute a Purchase Order with Miramar Truck Center for the purchase of a 2018 Ford F-750 Heavy Duty Truck (15.5-ton) in an amount of \$83,367.73

FSS Stecker presented this item indicating it is a FY18 tactical goal and it was reviewed by the EC at their November 7th meeting. He provided background information on this item stating FST II Easton presented the results of the Dump Truck replacement evaluation to the EC in the winter of 2017. During the evaluation the Ford F-750 Heavy Duty Truck was found to be best suited to replace the Dump Truck.

FSS Stecker stated staff solicited sealed bids for a 15.5 ton diesel Heavy Duty Truck from ten (10) San Diego Ford dealerships. The bids were due on September 7, 2017 and one bid was received from Miramar Truck Center for \$83,367.73.

The truck bid submitted by Miramar Truck Center has met all the bid specifications required by the District. Staff has determined that Miramar Truck Center is the lowest responsive and responsible bidder.

President Hanson asked if other agencies have this same type of truck in their fleet. GM Bushee answered stating that most agencies also have large vehicles for towing based on their needs.

Following discussion, upon a motion duly made by Vice President Sullivan, seconded by Director Omsted and unanimously carried, the Board of Directors authorized the General Manager to execute a purchase order with Miramar Truck Center for the purchase of a 2018 Ford F-750 Heavy Duty Truck (15.5- ton) in an amount of \$83,367.73 by the following vote:

Director	Vote
President Hanson	Yes
Vice President Sullivan	Yes
Director Kulchin	Absent
Director Juliussen	Yes
Director Omsted	Yes

17. Poinsettia Station Gravity Pipeline

Authorize the General Manager to notify San Diego Association of Governments (SANDAG) of the District's intent to proceed with construction of the Poinsettia Station Gravity Pipeline with the stipulation that the bid price for the construction does not exceed \$600,000.

TSM Morishita presented this item indicating it is a FY18 tactical goal and it was reviewed by the EC at their November 7th meeting. He stated that at EC meeting, the EC directed staff to amend the recommendation to omit the stipulation that the construction not exceed \$600,000. TSM Morishita noted that the EC reasoned that the second pipeline under the railroad tracks is a critical project and LWD should proceed even if the cost is greater than \$600,000.

TSM Morishita provided background information on the project and noted that this construction is a result of SANDAG's Poinsettia Train Station Improvements Project (POSI). He said that SANDAG agreed to allow the construction of a new parallel gravity pipeline as part of POSI. TSM Morishita said that the construction of POSI presents a unique opportunity for construction of a parallel gravity line under the railroad tracks. TSM Morishita said that SANDAG has added the construction of the new parallel line as an additive bid item in the POSI bid. He continued that this will enable the removal of the parallel line construction project if the District decides not to go forward.

TSM Morishita stated that the POSI bid opening is scheduled for November 13, 2017. He said that the District has 15 days to notify SANDAG of its intent to proceed with the additive bid item to construct the parallel gravity pipeline. He said that therefore, the District must notify SANDAG by November 28th of its intent.

Following discussion, upon a motion duly made by Vice President Sullivan, seconded by Director Omsted, and unanimously carried, the Board of Directors authorized the General Manager to notify SANDAG of the District's intent to proceed with construction of the Poinsettia Station Gravity Pipeline by the following vote:

Director	Vote
President Hanson	Yes
Vice President Sullivan	Yes
Director Kulchin	Absent
Director Juliussen	Yes
Director Omsted	Yes

18. Jensen Precast Manhole Purchase

Authorize the General Manager to execute a sole source purchase agreement with Jensen Precast for the pre-purchase of three precast manholes required for the Poinsettia Station Gravity Pipeline Project in an amount not to exceed \$92,616.

TSM Morishita presented this item indicating it is a FY18 tactical goal and it was reviewed by the EC at their November 7th meeting. He provided background information on this item noting the Jensen Precast with Predl Liner (Jensen Manhole) will increase the reliability, integrity and life of the new parallel gravity line due to its anti-corrosive characteristics. TSM Morishita also noted Jensen Precast is the only precast manhole manufacturer that uses the Predl System.

TSM Morishita stated that Jensen estimates a six to eight-week manufacturing period. He continued that staff is asking for the authorization to pre-purchase the Jensen Manhole prior to the issuance of the POSI Notice to Proceed by SANDAG. TSM Morishita stated that the pre-purchase meets the requirements of a Sole Source Procurement allowed in Section 10.1 of the District's Procurement Policy.

President Hanson asked if the City of Encinitas will pay a portion of the Poinsettia Station Project including the manholes. TSM Morishita answered affirmatively.

Director Omsted asked if the manholes will be ordered after the bid is finalized. GM Bushee answered that at the direction of the EC, the manholes would be ordered tomorrow if approved by the Board.

Following discussion, upon a motion duly made by Director Juliussen, seconded by Vice President Sullivan, and unanimously carried, the Board of Directors authorized the General Manager to execute a sole source purchase agreement with Jensen Precast for the pre-purchase of three precast manholes required for the Poinsettia Station Gravity Pipeline Project in an amount not to exceed \$92,616 by the following vote:

Director	Vote
President Hanson	Yes
Vice President Sullivan	Yes
Director Kulchin	Absent
Director Juliussen	Yes
Director Omsted	Yes

19. Amending the Human Resources Policy Manual (HRPM)

Adopt Resolution No. 2292 Amending the HRPM.

ASM Duffey presented this item indicating staff recently learned that the District's procedures and the HRPM's language that defines its Sick Leave Payoff program did not comply with current IRS regulations. Therefore, staff revised this section of the policy in order to comply. ASM Duffey provided a summary of the Sick Leave Payoff program changes.

ASM Duffey also noted staff reviewed the HRPM in its entirety and made minor clerical revisions throughout the policy.

Director Omsted asked ASM Duffey for clarification on how many days of sick leave employees can accrue. ASM Duffey answered that it is about 30 days and it is designed that way since short-term disability would kick in after 30 days.

Following discussion, upon a motion duly made by Vice President Sullivan, seconded by Director Juliussen, and unanimously carried, the Board of Directors adopted Resolution No. 2292 Amending the HRPM by the following vote:

Director	Vote
President Hanson	Yes
Vice President Sullivan	Yes
Director Kulchin	Absent
Director Juliussen	Yes
Director Omsted	Yes

20. Conduct a Compensation Study for Leucadia Wastewater District (LWD) Employees

Authorize the General Manager to conduct a Compensation Study for LWD employees.

GM Bushee presented the item stating it was reviewed by the HRC at their October 31st meeting. He provided background information on the item noting that during the May Budget Workshop the Board of Directors discussed the need to conduct a new compensation study for LWD employees. As a result, the Board referred the discussion of the compensation study to the HRC during Fiscal Year 2018 (FY18).

GM Bushee provided background information on the last compensation study which was conducted in the spring of 2008 by Rewards Strategy Group. GM Bushee stated the estimated cost of a new study is \$30,000 and he noted funds were not included in the FY18 Budget for the study. However, LWD may be able to absorb this cost in the existing budget or appropriate new funds if the Board decides to move forward. GM Bushee also noted that the cost of the compensation study is within the General Manager's signature authority, however, he wanted to get concurrence from the Board prior to moving forward.

GM Bushee stated he spoke to Director Kulchin prior to the Board meeting and Director Kulchin asked if the District had received quotes from other companies besides Rewards Strategy Group. GM Bushee stated that the District had only solicited a quote from Rewards Strategy Group, but the District would get quotes from two other companies.

Vice President Sullivan asked if the compensation study would compare compensation in the private and public sector. GM Bushee answered that the study would only compare compensation in the public sector.

Following discussion, upon a motion duly made by Vice President Sullivan, seconded by Director Omsted, and unanimously carried, the Board of Directors authorized the General Manager to conduct a compensation study for LWD employees by the following vote:

Director	Vote
President Hanson	Yes
Vice President Sullivan	Yes
Director Kulchin	Absent
Director Juliussen	Yes
Director Omsted	Yes

21. Calendar Year 2018 (CY18) Board of Directors' Meeting Schedule

Approve the CY18 Board of Directors' Meeting Schedule.

EA Baity presented the item stating that the Board approved a resolution in 2009 that indicates that the Board meetings will be held on the second Wednesday of each month at 5:00 PM. She stated that staff developed the proposed CY18 Board meeting schedule and coordinated the meetings with upcoming conferences in 2018. She also noted that staff suggests moving the April 2018 Board meeting to the third Wednesday of the month since this date conflicts with the CASA Joint Public Policy Forum conference date.

Following discussion, upon a motion duly made by Director Omsted, seconded by Director Juliussen, and unanimously carried, the Board of Directors approved the CY18 Board of Directors' meeting schedule by the following vote:

Director	Vote
President Hanson	Yes
Vice President Sullivan	Yes
Director Kulchin	Absent
Director Juliussen	Yes
Director Omsted	Yes

INFORMATION ITEMS

22. Project Status Updates and Other Informational Reports

A. 2017 Batiquitos Lagoon Foundation Board Members Election.

EA Baity presented the item stating that the Batiquitos Lagoon Foundation is requesting its members to vote for candidates for its 2017 Board Election. She noted the candidate's names and that staff has no recommendation.

Director Juliussen made a recommendation to vote for all three nominees.

The Board of Directors reached unanimous consensus to vote for Donald Omsted (Incumbent), Liz Paegel (Incumbent) and Lance Shulte for the Batiquitos Lagoon Foundation Board.

B. CSDA Quarterly Dinner Meeting is scheduled for Thursday, November 16, 2017 at The Butcher Shop Steakhouse in Kearny Mesa.

EA Baity stated the date and time of the CSDA Quarterly Dinner Meeting. She stated a carpool will be leaving from the District office at 5:30 p.m. and an email reminder will be sent.

C. LWD Annual Holiday Luncheon is scheduled for Thursday, December 14, 2017 at Bistro West in Carlsbad.

EA Baity announced the date, time, and location of the LWD Annual Holiday Luncheon.

23. Directors' Meetings and Conference Reports

2017 CALAFCO Annual Conference was held October 25-27, 2017 at the Bahia Hotel Mission Bay in San Diego, CA.

President Hanson stated that this was her first time attending the CALAFCO Conference. She stated

that it was an excellent conference with over 250 different LAFCO representatives.

24. General Manager's Report

GM Bushee reported on the following items:

- Notice of Violation from the San Diego Air Pollution Control District;
- LWD Facility Tours;
- 2018 CSRMA Executive Board Elections; and
- LWD Staff Team Building

25. General Counsel's Report

None.

26. Board of Directors' Comments

Director Juliussen thanked TSM Morishita, FSS Stecker, and DE Wilson for a great job with the Engineering Committee.


Vice President Sullivan wished everyone a thankful and safe Thanksgiving.

27. Adjournment

President Hanson adjourned the meeting at approximately 6:32 p.m.



Paul J. Bushee
Secretary/General Manager
(SEAL)



Judy Hanson, President